



SENATE REPUBLICAN

POLICY COMMITTEE

## Legislative Notice

No. 23

July 23, 2007

### **S. 1642 - Higher Education Amendments of 2007**

Calendar No. 264

*Reported on July 10, 2007 by the Senate HELP Committee by a vote of 20-0. Placed on the Senate Legislative Calendar under General Orders on July 10, 2007.*

#### **NOTEWORTHY**

- The Senate began consideration of S. 1642, the “Higher Education Amendments of 2007,” at 10:00 a.m. Under a unanimous consent, twelve first-degree amendments, any relevant second-degree amendments, a committee-reported amendment in the nature of a substitute, and a managers’ amendment are in order. Debate is limited to eight hours; upon the use or yielding back of debate time and disposition of all amendments, the bill is to be read a third time and the Senate is to vote on final passage. The first votes on this legislation are anticipated after 5:00 p.m. on July 23. (See page four for the full U.C. agreement.)
- S. 1642 amends and reauthorizes the Higher Education Act of 1965. Key provisions include providing more information to students and parents about college tuition and fees; simplifying the Free Application for Federal Student Aid (FAFSA); and requiring colleges and universities to establish Codes of Conduct for their relationships with lenders.
- Last week’s higher education bill (S. 1762) addressed student loan entitlement programs. The programs in this bill are discretionary and authorized as “such sums,” except for the Pell grant program.
- The bill also raises the maximum Pell grant from \$4,050 for academic year 2007-2008 to \$5,400 for academic year 2008-09; \$5,700 for academic year 2009-10; \$6,000 for academic year 2010-11; and \$6,300 for academic years 2011-12.

---

## **Highlights**

---

Last week, the Senate passed S. 1762, the “Higher Education Access Act of 2007.” The reconciliation bill addressed mandatory spending side of higher education. It sought to provide additional need-based grant aid, viewed as critical for increasing access and affordability to a higher education, particularly for many low-income students. Senator Enzi, ranking Republican on the Senate Health, Education, Labor and Pensions Committee, argued that both the reconciliation bill (S. 1762) and the higher education reauthorization bill (S. 1642) need to be considered as both are “essential to ensuring students have access to a quality education.”<sup>1</sup>

The cost of college has risen dramatically, exceeding the cost of inflation. According to The College Board, from 1995 to 2005 average tuition and fees at *private* four-year colleges and universities rose 36 percent, after adjusting for inflation. Over the same period, average tuition and fees rose 51 percent at *public* four-year institutions, and 30 percent at community colleges.<sup>2</sup> At the same time, the need for a college education is greater than ever.

Below are key provisions of note in S. 1642 as it seeks to reconcile these two realities:

- Transparency in college tuition – One goal of this legislation is to increase the amount of information available to students and parents so they can make better informed choices regarding higher education. Another goal is to hold colleges accountable for their tuition costs. Accordingly, Section 108 of the bill directs the Bureau of Labor Statistics, along with the Commissioner of Education Statistics and institutions of higher education (IHE), to develop higher education price indices. These indices are to detail annual changes in tuition and fees for undergraduate students attending the various types of institutions. Of note, the Administration has expressed concern with the bill’s higher education price index as it “opposes tuition price controls.”<sup>3</sup>

Additionally, the Secretary of Education is to create annual Higher Education Price Increase Watch Lists. These are to include, on a national and state-by-state basis, a ranking of each IHE whose tuition and fees outpace the applicable price index for the type of institution. Furthermore, the Secretary is to prepare higher education appropriations charts for each state which show a comparison of the percentage change in state appropriations per enrolled student in a public IHE, as compared to the percentage change in tuition and fees for each public IHE in the state. The charts are also to show the total amount of need-based and merit aid provided by the state to students enrolled in public IHEs.

Also, the legislation calls for the Secretary to develop a model document, to be known as the “University and College Accountability Network” (UCAN). UCAN is to annually report basic information about each institution that chooses to participate. The document is to include specific demographic and enrollment information about: students enrolled,

---

<sup>1</sup> Senator Mike Enzi, floor statement, July 19, 2007.

<sup>2</sup> The College Board, *Trends in College Pricing*. Washington, D.C., 2005.

<sup>3</sup> Statement of Administration Policy, S. 1762, the Higher Education Access Act of 2007, July 18, 2007.

degrees awarded, university faculty, the cost of attending the institution, the financial aid received by and available to students, and other information deemed helpful to prospective students.

- Disclosure requirements – The bill adds new reporting and disclosure requirements for institutions and lenders. Section 112 requires that a lender provide a student with a specific set of disclosures, in writing, before the lender provides a student with an educational loan. Lenders are also required to report to the Secretary of Education annually any reasonable expense paid to specific employees of an IHE, such as professional development by lenders and advisory board participation. The Secretary is also to report annually on the adequacy of the information provided to students and their parents about educational loans.
- Pell grants – S. 1642 authorizes an increase in the annual Pell grant to \$6,300 in academic year 2011-12, phased in from its current level of \$4,310. Funding for Pell grants is provided in the annual appropriations bill for the Departments of Labor, Health and Human Services and Education. The Federal Pell grant program is the single largest source of grant aid for postsecondary education attendance funded by the federal government. In FY 2007, it is estimated to provide nearly \$14 billion to about 5.3 million low-income undergraduate students.<sup>4</sup> According to the Congressional Research Service, a \$100 increase in the maximum appropriated grant award would increase program costs by approximately \$400 million.<sup>5</sup> Section 401 authorizes year-round Pell grants, an acknowledgement that many technical schools go year-round.
- Code of conduct – Section 480 of the bill requires colleges to establish codes of conduct regarding their relationships with lenders. Specifically, the legislation includes a revenue-sharing prohibition: it prohibits anyone employed by the financial aid office at an institution from accepting anything worth more than a nominal value, or entering into a consulting relationship with a lender. Furthermore, disclosure is required of institutions in establishing a preferred lender list. These provisions seek to address concerns found among lenders and college student aid officials.
- National student loan data system – S. 1642 seeks to establish guidelines for the administration of the National Student Loan Data System (NSLDS) in an effort to maintain confidence in the system. Section 478 of the bill requires the Secretary to ensure that access to the database is for legitimate program operations.
- Reauthorization of program opposed by the Administration – In its Statement of Administration Policy on S. 1762, the Administration expressed concern that S. 1642 reauthorizes several programs the Administration has proposed to terminate. These include Leveraging Education Assistance Partnerships, and the Robert C. Byrd Honors

---

<sup>4</sup> Congressional Research Service, “Federal Pell Grant Program of the Higher Education Act: Background and Reauthorization,” CRS Report to Congress RL31668, March 19, 2007.

<sup>5</sup> Congressional Research Service, “Reconfiguring the Federal Pell Grant Program: Effect of Selected Changes in Program Costs and on Students in Different Income Groups,” CRS Report to Congress RL 34084, July 9, 2007.

Scholarship Program. Based on FY 2007 budget authority, the elimination of these programs could reduce spending by over \$104 million.

- Simplified FAFSA – S. 1642 simplifies the Free Application for Federal Student Aid (FAFSA), and permit applicants to complete the form earlier so students and their families can better prepare for postsecondary education. The bill also transitions to a paper-free FAFSA, increasing reliance on the electronic version.

---

## **Background**

---

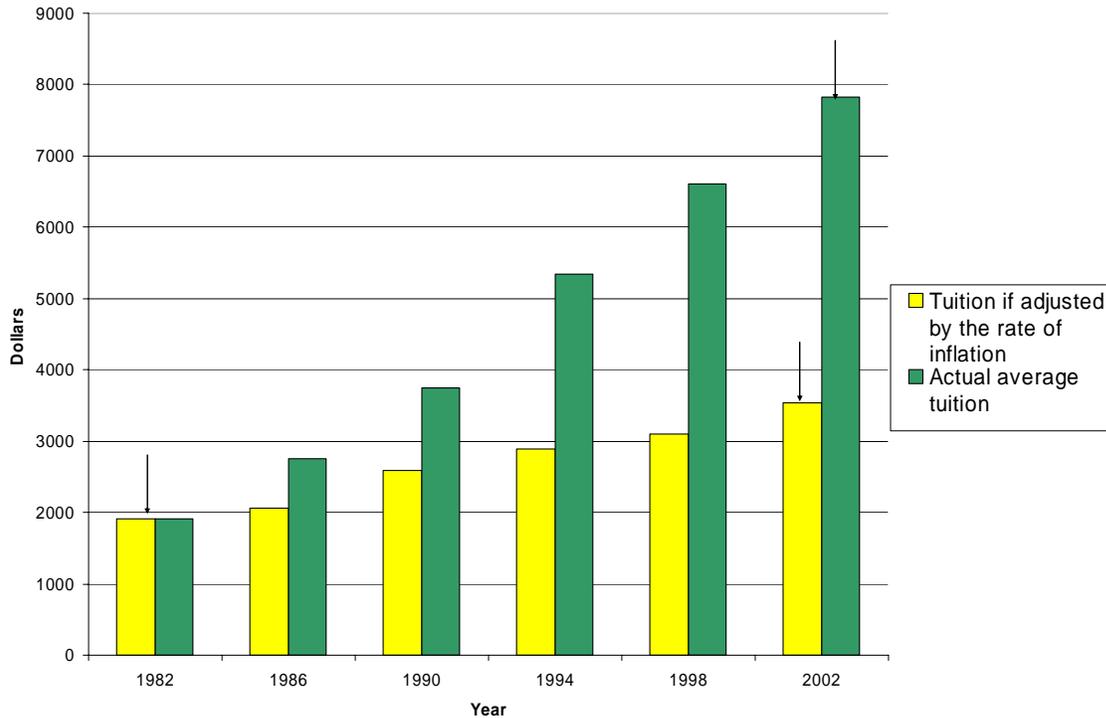
S. 1642, the Higher Education Amendments of 2007, was introduced on June 18, 2007. The Senate Health, Education, Labor and Pensions (HELP) Committee held one hearing on the issue on February 16. The legislation was reported out of the Senate HELP Committee on July 10 by a vote of 20-0. The bill was then placed on the Senate Calendar.

To date, the House has passed more discreet bills this year, as opposed to the comprehensive approach taken by S. 1642. Among the bills passed by the House was H.R. 990, the “Pell Grant Equity Act of 2007.” This bill seeks to amend the Pell grant formula and lower one of the lender percentages in the Federal Family Education Loan program. H.R. 890, the “Student Loan Sunshine Act,” which passed the House this year, seeks to bring transparency to student loan arrangements and implement a code of conduct between IHE and lenders. Also, the House passed H.R. 5, the “College Student Relief Act of 2007,” which purports to lower government payments to lenders and guarantee agencies along with lowering student loan interest rates. H.R. 5 was one of the House’s “6 in 06” initiatives.

Last week, near the conclusion of Senate consideration of S. 1762, the “Higher Education Access Act of 2007” or the reconciliation bill, a unanimous-consent-time agreement was reached with regard to S. 1642. The unanimous consent agreement provides that at 10:00 a.m. on Monday, July 23, 2007, the Senate will begin consideration of S. 1642. There are to be eight hours of debate on the bill and any amendments, with 2 hours of time equally divided and controlled between the Chairman and Ranking Member of the Committee on Health, Education, Labor, and Pensions, or their designees. The only amendments in order, other than the committee-reported amendment in the nature of a substitute, are twelve relevant first-degree amendments—six for the Chairman and six for the Ranking Member. Also in order is an additional managers’ amendment which has been cleared by the managers or the leaders. The time on the first-degree amendments is to be limited to 30 minutes each, equally divided and controlled by the Chairman and Ranking Member. Relevant second-degree amendments are in order and must be relevant to the amendment to which they are offered, and that an additional time of 15 minutes be available for any second-degree amendments which may be offered, equally divided and controlled. Upon the disposition of all amendments, the substitute, as amended, if amended, will be agreed to, the bill, as amended, will be read a third time, and Senate will vote on passage of the bill.

Much has been said about the rising cost of college tuition. The chart below prepared by the Republican staff on the HELP Committee demonstrates the dramatic increase in the last 20 years.

## Tuition Increases as Compared to Inflation



## Bill Provisions

### TITLE I—GENERAL PROVISIONS

#### Section 101. Additional definitions

The terms “critical foreign language” and “distance education” are defined.

#### Section 102. General definition of institution of higher education

Expands the definition of an institution of higher education (IHE) to include institutions that award degrees which are acceptable for admission to graduate or professional degree programs, subject to the review and approval of the Secretary of Education. This is the fix for the rabbinical school. It also includes a public or nonprofit private educational institution that admits as regular students those who are beyond the age of compulsory school attendance, or who are dually or concurrently enrolled in the institution and a secondary school.

### **Section 103. Definition of institution of higher education for purposes of title IV programs**

Expands the definitions of “proprietary institution” and “postsecondary vocational institutions” to allow them to enroll persons who are beyond the age of compulsory school attendance in the state in which such institution is located, or who are dually or concurrently enrolled in the institution and a secondary school. This section also states that for a graduate medical school located outside the United States to be considered an institution of higher education for purposes of title IV, it must have a clinical training program that was approved by a state in 1992, and must have continuously operated such a program in at least one state that is approved by such state.

### **Section 104. Protection of student speech and association rights**

This section includes a sense of Congress with regard to student speech. It also clarifies that this new language should not be construed to modify or infringe upon any constitutionally-protected religious liberty, freedom, expression, or association; nor should it be construed to discourage the imposition of an official sanction on a student that has willfully disrupted a lecture, class, speech, presentation, or performance scheduled or made under the auspices of the institution, provided that the imposition of the sanction is objective and fair.

### **Section 105. Accreditation and institutional quality and integrity advisory committee**

### **Section 106. Drug and alcohol abuse prevention**

In order to qualify for Drug Abuse Prevention Grants, an IHE must also include in its biennial review of policies its program to determine the number of drug and alcohol-related incidents and fatalities that occur on the institution’s property or as part of the IHE’s activities and are reported to the institution, and to determine the number and type of sanctions that are imposed on students and employees as a result of drug and alcohol-related incidents and fatalities.

### **Section 107. Prior rights and obligations**

Extends the authorization of appropriations for fiscal year 2008 and succeeding fiscal years.

### **Section 108. Transparency in college tuition for consumers**

Expands the information that the Secretary will make available to the public on an annual basis regarding college costs and academic programs. This section directs that the Bureau of Labor Statistics, in consultation with the Commissioner of Education Statistics, work with schools to develop higher education price indices that accurately reflect the annual change in tuition/fees for undergraduate students attending various types of institutions. The Secretary shall annually report this information in both a national list and in separate lists for each state, broken down by type of institution. The list shall include both percentage and dollar change in fees over the preceding two years.

The Secretary shall also create a Higher Education Price Increase Watch List, which includes a ranking of each institution of higher education whose tuition and fees outpace the applicable price index for the type of institution as developed under this section.

The Secretary shall also produce higher education appropriations charts for each state, which will show a comparison of the percentage change in state appropriations per enrolled student in a public IHE, as compared to the percentage change in tuition and fees for each public IHE in the state for each of the previous 5 years. The chart shall also report on the total amount of need- and merit-based aid provided by the state to students enrolled in public institutions of higher education in the state.

The Secretary shall work with institutions to develop several model price calculators to help students, families, and consumers determine the net price of an institution of higher education; institutions shall use one of these calculators or create their own.

The Secretary shall develop a model document, to be known as the “University and College Accountability Network” (UCAN), to annually report basic information about each institution that chooses to participate, to be posted on the college information website and made available to IHEs, students, families, and other consumers.

#### **Section 109. Databases of student information prohibited**

Clarifies that nothing in the Act authorizes the development, implementation, or maintenance of a federal database of personally identifiable information on individuals receiving assistance under this act or attending institutions receiving assistance under this act. This does not prohibit states or consortiums of states from developing, implementing, or maintaining state-developed databases that track individuals over time, including student unit record data systems.

#### **Section 110. Performance-based organization for the delivery of federal student financial assistance**

Establishes that the functions of the Performance-Based Organization (PBO) are now referred to as “administrative and oversight” functions, and not “operational,” and will be responsible for federal student financial assistance programs.

#### **Section 111. Procurement flexibility**

#### **Section 112. Institution and lender reporting and disclosure requirements**

Adds a new part on institution and lender reporting and disclosure requirements relating to educational loans to Title I of the HEA.

Defines “covered institution” as any educational institution that offers a postsecondary educational degree, certificate, or program of study, and receives any federal assistance; the term shall include any employee or agent of such an institution, or any affiliated organization or entity.

Requires that a covered institution that enters into an educational loan arrangement disclose the name of the lender in all documentation related to loans provided under such arrangement. Requires that a lender must provide a student with a specific set of disclosures, in writing, before the lender may provide a student with an educational loan.

Lenders are also required to report to the Secretary on an annual basis any reasonable expenses paid to an employee of an institution, such as expenses paid for advisory board participation or professional development sponsored by lenders.

Requires the Secretary to prepare a report on the adequacy of the information provided to students and their parents about educational loans. Lenders are required to provide annually the information included in such model report to the Secretary and the covered institution for each type of educational loan provided by the lender. Institutions shall also submit to the Secretary an annual report that includes information on the model format for each type of educational loan provided by the lender, and a detailed explanation of why the covered institution believes the terms and conditions of each type of educational loan provided pursuant to the agreement are beneficial for students attending the covered institution, or the parents of such students.

## **TITLE II—TEACHER QUALITY ENHANCEMENT**

### **PART A—TEACHER QUALITY PARTNERSHIP GRANTS**

The purpose of Title II is to improve student achievement and the quality of the nation’s teaching force by holding higher education institutions accountable for preparing teachers and promoting strategies to recruit and prepare qualified individuals.

#### **Section 201. Teacher quality partnership grants**

The bill retains only the Partnership grants program (deemed most effective at accomplishing the goals of the legislation) and eliminates the other two Teacher Quality Enhancement (TQE) programs – State grants and Recruitment grants. The bill expands eligibility to programs that prepare staff for pre-K programs.

Defines the term “induction program” as a formalized program for new teachers during at least the teachers’ first two years that is designed to provide support for, improve the professional performance of, and increase retention of beginning teachers.

#### **Section 202. Partnership grants**

Authorizes the Secretary to award competitive grants to eligible partnerships. Eligible partnerships that receive grants under this program shall use grant funds to carry out a program for the pre-baccalaureate preparation of teachers, a teaching residency program, or both. Programs for the pre-baccalaureate preparation of teachers shall be held accountable for promoting strong teaching skills, as well as preparing current or prospective teachers to be highly-qualified, to understand evidence-based research on teaching and learning and its applicability to the classroom, and to use technology effectively.

### **Section 203. Administrative provisions**

Provides that grants available under this section shall be for five-year periods, and that a partnership is eligible to receive only one grant during a five-year period.

### **Section 204. Accountability and evaluation**

Requires that partnership evaluation plans include objectives and measures for increasing student achievement and teacher retention; improvements in pass rates on state certification and licensure; and the percentage of highly qualified teachers hired by the high-need local educational agencies, including the percentage of highly qualified teachers working within the various targeted demographics.

### **Section 205. Accountability for programs that prepare teachers**

Requires that all IHEs that conduct a traditional teacher preparation program or alternative route to state certification and licensure, and that enrolled students receiving federal assistance under this Act, shall report the progress made towards specific measures for both their traditional teacher preparation programs and alternative routes.

### **Section 206. State functions**

Requires that states receiving funds under this section must have in place a procedure to identify and assist low-performing teacher preparation programs, and provide transitional support for students enrolled if a state terminates such program for low performance.

### **Section 207. General provisions**

Requires the Secretary to ensure that states and institutions of higher education use fair and equitable methods in reporting that do not allow for identification of individuals.

### **Section 208. Authorization of appropriations**

Authorizes such sums as may be necessary for fiscal year 2008 and the 5 succeeding fiscal years.

## **TITLE III—INSTITUTIONAL AID**

### **Section 301. Program purpose**

States that special consideration for awarding grants under this section shall be given to grant applications that include support services for the education of special populations. Allowable uses of grant funds are expanded to include using grant aid for education or counseling services designed to improve the financial literacy of students or their parents.

### **Section 302. Definitions; eligibility**

### **Section 303. American Indian tribally controlled colleges and universities**

Amends the definition of a ‘Tribal College or University’ to include institutions identified in the Tribally Controlled College or University Assistance Act of 1978, the Navajo Community College Assistance Act of 1978, or cited in section 532 of the Equity in Educational Land Grant Status Act of 1994.

Allowable uses of grant funds are also expanded. Institutions may now use grant aid to acquire real property adjacent to the institution, for education or counseling services designed to improve financial literacy of students or their parents, or to develop or improve distance learning or internet facilities and capabilities.

### **Section 304. Alaska native and native Hawaiian-serving institutions**

### **Section 305. Native American-serving, non-tribal institutions**

Authorizes a new grant program specifically for Native American-serving, non-tribal colleges or universities.

### **Section 306. Part B definitions**

### **Section 307. Grants to institutions**

Expands the allowable uses of funds to include financial literacy.

### **Section 308. Allotments to institutions**

Establishes that in order to receive an allotment of funds, eligible historically black colleges and universities (HBCUs) must provide institutional data on the number of enrolled Pell grant recipients and graduates from the past academic year as well as the number of graduates in the past 5 years who enrolled in a graduate or professional school.

### **Section 309. Professional or graduate institutions**

Institutions may use grant aid for financial literacy or for various academic student support services. Funds may also be used to acquire and develop property adjacent to colleges and universities.

The following seven universities are added to the list of qualified graduate programs: Alabama State University, Coppin State University, Prairie View A&M University, Fayetteville State University, Delaware State University, Langston University, and West Virginia State University. The following two programs of instruction are added to the list of qualified graduate programs of instruction: law and psychometrics.

### **Section 310. Authority of the Secretary**

Requires within one year a report on implementing GAO's recommendations for improving the Historically Black College and Universities Capital Financing Program.

### **Section 311. Authorization of appropriations**

Authorizes such sums as may be necessary for all programs under title III of the HEA for FY 2008 and the 5 succeeding fiscal years.

### **Section 312. Technical corrections**

## **TITLE IV—STUDENT ASSISTANCE**

### **PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION**

#### **Section 401. Federal Pell grants**

Raises the authorized level for a maximum Federal Pell grant for eligible students to \$5,400 for academic year 2008-09; \$5,700 for 2009-10; \$6,000 for 2010-11; and \$6,300 for 2011-12.

Revises the minimum grant award from \$400 to 10 percent of the maximum authorized award for an award year. Students eligible for an award of less than 10 percent of the maximum award but more than 5 percent of the maximum will receive an award equal to 10 percent of the maximum.

Permits eligible students seeking to enroll in an additional academic session (e.g., year-round coursework or summer semester in addition to fall and winter semesters) to receive up to two Pell grants in a single award year. Eligible students may receive Pell grants up to 18 semesters (without regard to full or part time).

#### **Section 402. Academic competitiveness grants**

Expands eligibility for Academic Competitiveness Grants (ACG) and National Science and Mathematics Access to Retain Talent (SMART) grants to students who are in school on a more than half-time basis and include students enrolled in certificate programs greater than one year at two or four-year institutions.

Expands eligibility for SMART grants to third- and fourth-year students in subjects beyond those now eligible for a SMART grant (currently physical, life, or computer sciences, math, technology, engineering, or critical foreign language), but who have taken the required number of classes to gain such a degree at an institution that does grant degrees in eligible subject areas. Expands eligibility for SMART grants to fifth-year students in five-year undergraduate programs.

Eliminates citizenship requirement for grants, permitting Pell-eligible non-citizens to receive ACG and SMART grants.

### **Section 403. Federal TRIO programs**

Grants (to be at least \$200,000) may be provided for a 5-year period. Staff training and development grants (to be at least \$170,000) may be for only a 2-year period.

Requires the Secretary to establish outcome criteria for measuring the quality and effectiveness of the Talent Search, Upward Bound, Student Support Services, Post-baccalaureate Achievement, and Educational Opportunity Centers programs.

Expands required activities under the Talent Search, Upward Bound, and Student Support Services programs, and expands services to include students with disabilities, and those who are homeless or in foster care.

Expands activities permitted under the Post-baccalaureate Achievement Program Authority, and Educational Opportunity Centers.

### **Section 404. Gaining early awareness and readiness for undergraduate programs (GEAR UP)**

Requires the Secretary of Education to consider geographic distribution, and distribution of awards between urban and rural applicants. Removes the current limitation on the amount of funds used specifically for early intervention. Shifts requirements that activities not displace other employees.

A grantee must create or organize a trust for each cohort of students. The trust must provide each student in the cohort with, at minimum, an amount equal to the minimum Pell grant award. Funds in trust will be available to students graduated from high school and enrolled in a 2- or 4-year institution. Trust funds not used within 6 years of the student's expected date of completion from secondary school could be redistributed. Excess or unused funds would be returned to the Secretary to redistribute to other grantees.

Authorizes such sums as may be necessary for fiscal years 2006-11.

### **Section 407. Leveraging educational assistance partnership program**

Increases the grant to a maximum of \$12,500 per academic year or the student's cost of attendance.

The Special Leveraging Educational Assistance Partnership program is changed to Grants for Access and Persistence. Grants are expanded to enhance partnerships with IHEs and private organizations to provide additional need-based grants to eligible low-income students.

The federal share is determined by the percentage of full-time students enrolled in the state's partnership colleges and universities in comparison to the total number of students attending institutions of higher education in the state.

States must annually notify low-income students in grades 7-12 of their potential eligibility. Students would receive a grant for each year of their undergraduate education, as long as they remained financially eligible and meet the state's degree completion time limits.

**Section 408. Special programs for students whose families are engaged immigrant and seasonal farmwork**

Expands eligibility to children who have immediate family members who have spent at least 75 days over the past 24 months in migrant and seasonal farmwork. Current law only covers children who themselves or whose parents have spent such time in migrant and seasonal farmwork. The program is expanded to include internships, transportation, and child care.

The program is reauthorized for such sums as may be necessary in FY 2008 and next five fiscal years.

**Section 409. Robert C. Byrd honors scholarship program**

Reauthorizes this program for such sums as may be necessary in FY 2008 and the next five fiscal years.

**Section 410. Child care access means parents in school**

Sets the minimum grant level at \$10,000 and \$30,000 when the appropriation is equal to or greater than \$20 million. Definition of a "low-income student" is expanded to include a person who would be eligible to receive a Pell grant but for the fact that the student is enrolled in a graduate or professional course or is in the United States for a temporary period of time.

**Section 411. Learning anytime anywhere partnerships**

Repeals entire chapter.

**PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM**

**Section 421. Federal payments to reduce student interest costs**

Adds to requirements that a lender must confirm a borrower's enrollment status through the National Student Loan Data System (NSLDS) if requested by an IHE.

Places restrictions on the actions a guaranty agency may take under law, including prohibiting guaranty agencies from offering, directly or indirectly, premiums, payments, stock or other securities, prizes, travel, entertainment expenses, tuition repayment, or other inducements to institutions of higher education or their employees or to any lender or lender's agent, employee,

or independent contractor, for the purpose of securing benefits—including applicants for loans.

Prohibits guaranty agencies from conducting unsolicited mailings of educational loan application forms to students or the parents of such students who have not previously received loans guaranteed by the specific guaranty agency; from performing for an institution or paying another to perform for an institution any function that the institution is required to perform under part B, D, or G of the Higher Education Act of 1965; and from conducting fraudulent or misleading advertising concerning loan availability, terms, or conditions.

#### **Section 422. Federal consolidation loans**

Requires lenders of consolidation loans to disclose additional information about the possible impact of consolidation.

#### **Section 423. Default reduction program**

Requires guaranty agencies offering programs that allow borrowers with defaulted loans to renew eligibility on their loans after borrowers make six consecutive monthly payments, and to make available financial and economic educational materials before, during, or after rehabilitation of the loans.

#### **Section 424. Reports to consumer reporting agencies and institutions of higher education**

Requires the Secretary of Education, guaranty agencies, eligible lenders, and holders to include information about the type of loan made, the repayment status of the loan, and any other information mandated by Federal law when providing information to consumer reporting agencies concerning student borrowers. The information must be provided to all nationwide consumer reporting agencies.

#### **Section 425. Common forms and formats**

#### **Section 426. Student loan information by eligible lenders**

Lenders, guaranty agencies, secondary markets, consumer reporting agencies, or loan servicers that are subject to the Gramm-Leach-Bliley Act may only sell, transfer, or give student information for activities associated with preventing defaults on loans. Each eligible lender, holder, or servicer must provide the borrower with information on loan benefit repayment options, including comprehensive information on reducing interest rates.

#### **Section 427. Consumer education information**

#### **Section 428. Definition of eligible lender**

Restricts activities to qualify as an eligible lender. Prohibits eligible lenders from offering benefits to a borrower including, directly or indirectly, points, premiums, payments (including payments for referrals and for processing or finder fees), prizes, stock or other securities, travel,

entertainment expenses, tuition repayment, the provision of information technology equipment at below-market value, additional financial aid funds, or other inducements to any IHE or its employees in order to secure applicants for loans under this part; from conducting unsolicited mailings of student loan application forms to students or their parents, unless such students have previously received loans from the lender; from entering into any type of consulting arrangement, or other contract to provide services to a lender, with an employee of an institution with responsibilities with respect to student loans or financial aid; from compensating such an employee who is serving on an advisory board, commission, or group established by a lender or group of lenders for providing such service, except for reasonable expenses incurred in providing such service; or from performing for an institution of higher education or paying another to perform for an institution any function that the institution of higher education is required to carry out under part B, D, or G of the Higher Education Act of 1965.

Sunset School as Lender, and for an eligible lender to serve as a trustee, as of June 30, 2011. An existing institutional lender shall not issue any new loans in such capacity under part B after June 30, 2011.

#### **Section 429. Discharge and cancellation rights in cases of disability**

Disabled borrowers eligible for discharge are to include a borrower who is unable to engage in substantial gainful activity due to a medically-determinable physical or mental impairment that can be expected to result in death, has lasted for five years continuously, or can be expected to last for at least five years continuously. Applies to borrowers of loans under part B, part D, and part E.

#### **Section 431. Special allowances**

Authorizes the Secretary to collect a loan fee on consolidation loans of 1 percent of the principal.

### **PART C—FEDERAL WORK-STUDY PROGRAMS**

#### **Section 441. Authorization of appropriations**

Authorizes such sums as may be necessary for FY 2008 and 5 succeeding fiscal years.

#### **Section 442. Allowance for books and supplies**

Allowance is increased from \$450 to \$600.

#### **Section 443. Grants for federal work-study programs**

Permits the Secretary to waive the community-service requirement under this part if an institution certifies that at least 15 percent of its full-time student enrollment (formerly work study) participates in community service or tutoring or literacy activities.

#### **Section 444. Job location and development programs**

An institution's work-study allotment increases to no more than 10 percent, or \$75,000, whichever is less, to establish or expand programs that locate and develop jobs including community-service jobs for currently-enrolled students.

#### **Section 445. Work colleges**

Emphasizes the importance of service in work colleges, and includes consequences for non-performance in a work-learning service program similar to consequences for failure in a regular academic program. Adds the support of existing and new model student volunteer community service projects associated with local institutions of higher education to authorized activities. Limits the definition of work-colleges to 4-year, degree-granting institutions.

### **PART D—FEDERAL PERKINS LOANS**

#### **Section 451. Cancellation of loans for certain public service**

Adds to the list of those eligible for Perkins loan cancellation: full time staff members in a licensed pre-kindergarten or child care program; full-time faculty members at Tribal Colleges and Universities; certain librarians with a masters degrees in library science who are employed in an elementary or secondary school library; and speech and language pathologists working with students with disabilities serving exclusively those schools that are eligible for assistance under title I of ESEA. Expands Perkins loan forgiveness for members of the Armed Forces from 50 to 100 percent, consistent with other types of loan forgiveness in the section.

### **PART E—NEED ANALYSIS**

#### **Section 461. Cost of attendance**

For students who live in housing located on a military base or for which a basic allowance is provided under 37 USC 403(b), room and board allowance shall be calculated based on the expenses reasonably incurred by such students for board, but not for room.

### **PART F—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE**

#### **Section 471. Definitions**

Amends the definition of housing for the purpose of determining financial aid to exclude the value of on-base military housing or the value of the basic allowance for housing determined under section 403(b) of title 37, received by a student or his or her parents.

## **Section 472. Compliance Calendar**

Directs the Secretary to provide an IHE a list of all reports and disclosures required under this act at the beginning of each award year.

## **Section 473. Forms and regulations**

Establishes common financial aid forms and processing. Phases out the full-paper Free Application for Federal Student Aid (FAFSA). Creates “EZ FAFSA” for families with zero expected family contribution.

Requires data collection to comply with the Privacy Act of 1974.

Within 180 days the Secretary is required to implement a real-time data match between the Social Security Administration and the Department of Education to expedite applications.

Prohibits charges to students and parents for use of forms. The Secretary is authorized to collect Social Security numbers and the date of birth of parents of students seeking aid. Authorizes use of preparation services; preparer information must be included and preparers must inform individuals of a no-cost option.

The Secretary is to study the feasibility of implementing a comprehensive early financial aid application and notification system for all dependent students. The demonstration program shall enable dependent students who wish to participate to complete an application to obtain information on eligibility for Pell grant, Title IV loans, and state and institutional financial aid for each student’s first year of enrollment in an IHE.

Focus will be on developing alternative approaches for calculating the Expected Family Contribution (EFC) that use substantially less income and asset data than the methodology currently used. If it is determined that the use of Internal Revenue Service data to pre-populate the electronic FAFSA will not significantly negatively impact students, the data may be used.

## **Section 474. Student eligibility**

Section 474 specifies that in order to be eligible to receive aid under this title, a student must be a citizen or permanent resident enrolled in an eligible program, be making satisfactory progress in that program, not owe a refund or be in default of a previous loan, and have filed a FAFSA for aid determination.

Clarifies enrollment of students through distance education programs so that such students will not be considered to be enrolled in correspondence courses. Allows Financial Aid office discretionary authority to evaluate reduced cost of attendance for distance education.

Students with intellectual disabilities will be eligible for title IV assistance, even if enrolled in non-degree programs, under specified conditions.

### **Section 475. Statute of limitations and state court judgments**

Ensures that obligations to repay loans and grant overpayments are enforced. Payments are not due in the case of a student who is deceased.

### **Section 476. Institutional refunds**

### **Section 477. Institutional and financial assistance information for students**

Requires institutions to provide information on student body diversity, including the percentage of enrolled, full-time students who are male, female, from a low-income background, and a self-identified member of a major racial or ethnic group.

Requires that the completion and graduation rate data (already required to be reported under current law) be disaggregated by gender, major racial and ethnic subgroup, by recipients of a federal Pell grant, and other groups.

Requires that institution disclose information on student financial assistance and the procedures for applying for such assistance, the cost of attending the institution, and general information about the academic and non-academic aspects of the school's program.

Requires an exit interview of borrowers of Title IV loans. The interview shall include information on loan repayment plans available, including a discussion of the different features of each plan and sample information showing the difference in interest paid and total payments under each plan, along with information regarding consolidation.

Requires IHEs to report annually campus policies regarding immediate emergency and evacuation procedures.

Requires IHEs participating in Title IV to publicly disclose the institution's current transfer of credit policy, which will include a statement that the institution shall not deny transfer of credit based solely on the accreditation of the sending institution, and a list of institutions with which the institution has established articulation agreements.

### **Section 478. Entrance Counseling Required**

Requires each eligible institution to provide prior to disbursement to a first-time borrower of a loan made, insured, or guaranteed under part B or D comprehensive information on the terms and conditions of the loan and the responsibilities the borrower has regarding the loan.

### **Section 479. National student loan data system**

Establishes a series of guidelines for the Secretary to administer the National Student Loan Data System (NSLDS) in an effort to maintain confidence in the NSLDS.

### **Section 480. Early awareness of financial aid eligibility**

Adds a new section which requires the Secretary to work with IHEs and agencies involved in college access to inform students who receive or are eligible to receive means-tested benefits that they are potentially eligible for a maximum Pell grant when they are in middle or high school or participants in Adult Basic Education programs.

### **Section 481. Program participation agreements**

Adds a code of conduct regarding student loans for IHEs, which includes a revenue sharing prohibition; a prohibition on employees employed by the financial aid office from taking from a lender anything worth more than a nominal value; and receiving anything of value in exchange for serving on the advisory board. Violations of this attestation shall result in the limitation, suspension, or termination of eligibility of the institution from the student loan program.

Places requirements on IHEs that maintain a preferred lender list under part B, including a specified series of disclosures. The preferred lender list must include at least 3 lenders that are not affiliates of each other and the IHE must indicate, for each lender, whether they are an affiliate of any other lender on the list.

Proprietary institutions must have not less than 10 percent of their revenues from sources other than funds provided under this title. This requirement may be modified for institutions outside the United States.

### **Section 482. Regulatory relief and improvement**

Maintains the quality assurance programs and the experimental sites.

### **Section 483. Transfer of allotments**

Allows an institution to transfer up to 25 percent of funds between its Federal Supplemental Educational Opportunity Grant and Federal Work-Study accounts.

### **Section 484. Purpose of administrative payment**

### **Section 485. Advisory Committee on Student Financial Assistance**

### **Section 486. Regional meetings**

### **Section 487. Year 2000 Requirements at the Department**

Repeals the language describing required preparations to ensure the year 2000 did not interrupt the Department's processes and services.

## **PART G—PROGRAM INTEGRITY**

### **Section 491. Recognition of accrediting agency or association**

Expands the criteria required for an accrediting agency to be determined reliable by the Secretary.

Expands the criteria agencies must consider when evaluating institutions of higher education, including student retention rates, course completion rates, program completion and graduation rates, and as appropriate, state licensing examinations, job placement rates, enrollment in graduate and professional programs, and other student performance information selected by the institution, particularly information used by the institution to evaluate or strengthen its programs.

Nothing in this section shall be construed to permit the Secretary to establish criteria that specify, define, or prescribe the standards that accrediting agencies or associations shall use to assess an institution's success with respect to student achievement, beyond the standards and criteria specifically laid out in this section.

### **Section 492. Administrative capacity standard**

Adds a subsection on the Treatment of Teach-Outs at Additional Locations.

### **Section 493. Program review and data**

Requires the Secretary to provide an institution with an adequate opportunity to review and respond to any program review report, and any relevant materials related to the report, before any final determination is reached.

### **Section 494. Access to timely information about loans**

Requires lenders of loans guaranteed under Title IV to provide all borrowers with a bill at each payment installment time period, to contain specified details about the loan, along with a description of each fee the borrower has been charged for the current payment period, and the lender's address and toll-free phone number for payment and billing error purposes.

Clear and conspicuous notice is required, at least one month prior to a loan entering repayment, of information regarding the borrower's options.

If a borrower enters default, a lender must provide the borrower at least twice a clear and conspicuous notice of specified information.

### **Section 495. Auction evaluation and report**

If Congress establishes a pilot program for the auction of Federal PLUS loans (which passed the Senate as part of S. 1762, the Senate higher education reconciliation legislation), the Comptroller

General shall evaluate such a pilot program, and evaluate a series of specified determinations, including the feasibility of using the mechanism piloted to operate the other programs under part B of title IV.

## **TITLE V—DEVELOPING INSTITUTIONS**

### **Section 501. Authorized activities**

Institutions may use grant aid: for financial literacy; to develop articulation agreements and facilitate the transfer of students from 2-year to 4-year institutions; and for customized remedial education and English language instruction courses designed to retain students and prepare students to enroll in core courses and successfully complete degree and major requirements.

### **Section 502. Post-baccalaureate opportunities for Hispanic Americans**

Creates a new program that authorizes grants to eligible Hispanic-serving institutions that offer graduate certificates or degree-granting programs similar to the HBCU graduate institutions program.

### **Section 503. Applications.**

### **Section 504. Cooperative Arrangements**

### **Section 505. Authorization of appropriations**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

## **TITLE VI—INTERNATIONAL EDUCATION PROGRAMS**

### **Section 601. Findings**

### **Section 602. Graduate and undergraduate language and area centers and programs**

Authorizes grants to IHEs to support comprehensive foreign language or area study centers, including a network of undergraduate programs.

### **Section 603. Undergraduate international studies and foreign language programs**

Authorizes grants under this section to establish, strengthen, and operate national language resource and training centers at the undergraduate level.

### **Section 604. Research; studies**

The Secretary may, directly or through grants or contracts, conduct research and studies to assess the need for area studies and language instruction. Evaluations of the extent to which programs

funded under this title reflect diverse perspectives and generate debate on world regions and international affairs are required.

**Section 605. Technological innovation and cooperation for foreign information access**

Authorizes grants to IHEs, public or non-profit private libraries, or consortia of such institutions to develop innovative ways to use electronic technologies to collect, organize, preserve, and widely disseminate information from foreign sources.

**Section 606. Selection of certain grant recipients**

The Secretary shall evaluate each application based on established criteria and consider the applicant's record of placing students into service of national need and of increasing the number of students that go into service of national need.

**Section 607. American overseas research centers**

Authorizes grants with any American overseas research center that is a consortium of an IHE.

**Section 608. Authorization of appropriations for international and foreign language studies**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

**Section 609. Centers for international business education**

Authorizes grants to IHEs to operate international centers for business education and requires assurance that diverse perspectives will be made available to students.

**Section 610. Education and training programs**

Authorizes grants to IHEs to promote linkages between such institutions and the American business community.

**Section 611. Authorization and appropriations for business and international education programs**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

**Section 612. Minority foreign service professional development program**

Authorizes grants to HBCUs or an institution of higher education with programs in training Foreign Service professionals to establish an Institute for International Public Policy (IIPP) to increase the participation of under-represented minorities in international service fields.

**Section 613. Institutional development**

The IIPP shall award grants to minority-serving institutions to strengthen international business and foreign language study programs.

**Section 614. Study abroad program**

**Section 615. Advanced degree in international relations**

The IIPP shall provide a program that leads to master's degrees and doctoral degrees.

**Section 616. Internships**

The IIPP shall work with eligible IHEs to establish relevant internships.

**Section 617. Financial assistance**

Allows the IIPP to provide to needy students summer stipends of up to \$3,000 or Ralph Bunche scholarships of up to \$5,000 per academic year.

**Section 618. Report**

**Section 619. Gifts and donations**

A biennial report shall include all gifts and donations received by the IIPP.

**Section 620. Authorization of appropriations for the Institute for International Public Policy**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

**Section 621. Definitions**

Amends the definition of a 'Tribal College or University' to include institutions identified in the Tribally Controlled College or University Assistance Act of 1978.

**Section 622. Assessment and enforcement**

The Secretary may use no more than one percent of the funds available under this title for program evaluation, national outreach, and information dissemination activities relating to the programs authorized under this title.

**TITLE VII—GRADUATE AND POSTSECONDARY IMPROVEMENT PROGRAMS**

**PART A—GRADUATE EDUCATION PROGRAMS**

### **Section 701. Purpose**

Identifies mathematics, science, engineering, and other areas critical to national and homeland security needs as areas of focus for national graduate fellowship programs.

### **Section 702. Allocation of Jacob K. Javits fellowships**

Adds two considerations to the qualifications of board members: representing the various geographic regions of the United States and including representatives from minority-serving institutions.

### **Section 703. Stipends**

Stipends are to be of an amount equal to the National Science Foundation's Graduate Research Fellowship Program.

### **Section 704. Authorization of appropriations for the Jacob K. Javits fellowship program**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

### **Section 705. Institutional eligibility under the graduate assistance in areas of national need program**

### **Section 706. Awards to graduate students**

Requires that stipends be equal to that provided by the Graduate Research Fellowship Program administered by the National Science Foundation.

### **Section 707. Additional assistance for cost of education**

Updates the years used in determining payment amounts.

### **Section 708. Authorization of appropriations for the GAANN program**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

### **Section 709. Legal educational opportunity program**

Expands those eligible for the Thurgood Marshall Legal Opportunity Program to include secondary school students, and expands uses accordingly. Adds national and state bar associations as eligible sub-grant recipients.

## **Section 710. Fund for the improvement of postsecondary education**

Expands the provision regarding technology to include efforts that use distance education and technological advancements to educate and train postsecondary students, including health professionals serving medically-underserved populations.

The provision regarding reforms in graduate education is expanded to include reforms in remedial education, including English language instruction.

Consortia to focus on curricula on poverty and human capability are created. Such programs shall include a service learning component and information on career paths.

Creates a new grant program for Project GRAD.

Adds a Center for Best Practices to Support Single Parent Students.

The Secretary shall award a grant under this provision for an IHE with demonstrated relevant expertise, which shall monitor federal regulations for their impact on higher education, provide a succinct description of each regulation or proposed regulation that is relevant to higher education, and maintain an easy-to-use website providing information on such federal regulations that is searchable and regularly updated.

## **Section 711. Special projects**

Expands areas of national need to include improvements in academic instruction and student learning, including efforts designed to assess the learning gains made by postsecondary students; as well as the development, evaluation, and dissemination of model programs, including model core curricula, that provide students with a broad and integrated knowledge base.

## **Section 712. Authorization of appropriations FIPSE**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

## **Section 713. Repeal of the Urban Community Service Program**

Repeals the Urban Community Service Program.

## **Section 714. Grants for students with disabilities**

Specifies that the teaching methods and strategies designed to teach students with disabilities must improve retention and completion of postsecondary education.

A new subpart 2 is created and titled “Transition Programs for Students With Disabilities Into Higher Education; Coordinating Center.” This new subpart will aim to support model

demonstration programs that promote the successful transition of students with intellectual disabilities into higher education.

The Secretary shall enter into a 5-year cooperative agreement with an eligible entity, for the purpose of establishing a coordinating center for technical assistance, evaluation, and development of accreditation standards for IHEs for students with intellectual disabilities.

**Section 715. Applications for demonstration projects to ensure students with disabilities receive a quality higher education**

Each application will now include a description of the extent to which an institution will work to replicate the research and best practices of IHEs with demonstrated success in serving students with disabilities.

**Section 716. Authorization of appropriations for demonstration projects to ensure students with disabilities receive a quality higher education**

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

**TITLE VIII—MISCELLANEOUS**

**PART A—MATHEMATICS AND SCIENCE SCHOLARS PROGRAM**

Authorizes grants to states on a competitive basis to award scholarships of up to \$1,000 to students who have completed a rigorous secondary-school curriculum in mathematics or science. States are required to meet a 50 percent match of the federal funds. Students are eligible for the scholarships for their first 2 years of college.

**PART B—POSTSECONDARY EDUCATION ASSESSMENT**

Authorizes the Secretary to enter into a contract within 90 days with an independent, bipartisan organization with specific expertise in public administration to complete an assessment of the cost factors associated with cost of tuition at institutions of higher education.

**PART C—JOB SKILL TRAINING IN HIGH-GROWTH OCCUPATIONS OR INDUSTRIES**

Authorizes the Secretary to award competitive grants for up to five years to partnerships of IHEs and a local Workforce Investment Board to provide relevant job training in high-growth industries or occupations, including entrepreneurial efforts. Priority will be given to institutions serving nontraditional students.

**PART D—ADDITIONAL CAPACITY FOR RN STUDENTS OR GRADUATE-LEVEL NURSING STUDENTS**

Authorizes the Secretary to award grants to IHEs that offer an Registered Nurse (RN) nursing program at the baccalaureate or associate degree level to expand the faculty and facilities of such program to accommodate additional RN nursing students; or to a graduate-level nursing program to accommodate advanced practice degrees for RNs, to accommodate students enrolled in a graduate-level nursing program to provide teachers of nursing students.

## **PART E—AMERICAN HISTORY FOR FREEDOM**

Authorizes the Secretary to award 3-year competitive grants to eligible IHEs to establish or strengthen the teaching of traditional American history, free institutions, and the history and achievements of Western civilization.

## **PART F—TEACH FOR AMERICA**

Authorizes the Secretary to award a non-competitive grant to Teach for America.

## **PART G—PATSY T. MINK FELLOWSHIP PROGRAM**

The Secretary shall award grants to eligible IHEs to enable such institutions to make fellowship awards to assist highly-qualified minorities and women to acquire the highest degree available in academic areas where such individuals are underrepresented in the professoriate. Fellows shall sign an agreement to teach at an IHE not later than 3 years after receiving the doctoral degree or highest possible degree available. Individuals who do not enter the professoriate shall repay the fellowship.

## **PART H—IMPROVING COLLEGE ENROLLMENT BY SECONDARY SCHOOLS**

The Secretary shall contract with a not-for-profit organization to determine grant recipients that have demonstrated expertise in increasing school-wide higher education enrollment rates in low-income communities, and in college transition data management. The Secretary shall also identify 50 urban local educational agencies and 5 states with significant rural populations to carry out comprehensive needs assessments of the factors known to improve higher education enrollment rates.

## **PART I—PREDOMINANTLY BLACK INSTITUTIONS**

Creates new grant program for Predominantly Black Institutions similar to that for HBCUs. Priority for such grants shall be given to Predominantly Black Institutions with large numbers of needy or Black students. Grants shall not be less than \$250,000.

## **PART J—EARLY CHILDHOOD EDUCATION PROFESSIONAL DEVELOPMENT AND CAREER TASK FORCE**

Authorizes a new competitive grant program for states to establish and support State Early Childhood Education Professional Development and Career System Task Forces.

## **PART K—IMPROVING SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION WITH A FOCUS ON ALASKA NATIVE AND NATIVE HAWAIIAN STUDENTS**

Authorizes a grant for the development of science, technology, engineering, or mathematics professionals from elementary schools through college, including existing programs for Alaska Native and Native Hawaiian students. Grant funds shall assist students to transition into college life and academics in order to increase retention rates in the fields of science, technology, engineering, or mathematics, with a focus on Alaska Native or Native Hawaiian students.

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

## **PART L—PILOT PROGRAM TO INCREASE PERSISTENCE UN COMMUNITY COLLEGES**

Authorizes a new grant program for community colleges to enable eligible students to maintain enrollment and complete degree or certificate programs. Scholarships funded under this section shall be in the amount of \$1,000 a quarter or \$2,000 a year for students who maintain at least a 2.0 or C grade point average.

Authorizes sums as may be necessary for FY 2008 and the five succeeding fiscal years.

## **PART M—STUDENT SAFETY AND CAMPUS EMERGENCY MANAGEMENT**

Authorizes a new grant program for IHEs to develop and improve their campus safety and emergency response systems.

Authorizes such sums as may be necessary for FY 2008 and the five succeeding fiscal years.

## **TITLE IX—AMENDMENTS TO OTHER LAWS**

### **PART A—EDUCATION OF THE DEAF ACT**

#### **Section 901. Laurent Clerc National Deaf Education Center**

Authorizes Gallaudet University to provide quality education for deaf individuals through its Clerc Center, and assigns Gallaudet University's technical assistance, outreach and training programs for parents and teachers of children who are deaf to the Clerc Center. By no later than the beginning of the 2009-2010 academic year, the elementary and secondary programs at the Center shall adopt and implement standards and assessments pursuant to section 1111(b) of the No Child Left Behind Act, which addresses academic standards, academic assessment, and

accountability. The University shall determine whether the Clerc programs are making adequate yearly progress and publicly report the findings.

#### **Section 902. Agreement with Gallaudet University**

Updates the reference to the Davis-Bacon Act in this language.

#### **Section 903. Agreement for the National Technical Institute for the Deaf**

Selects the Rochester Institute of Technology as the partner institution for the National Technical Institute for the Deaf.

#### **Section 904. Cultural experiences grants**

Amends Title I of the Education of the Deaf Act of 1986 by adding Cultural Experiences Grants. Authorizes competitive grants to enrich the lives of deaf and hard-of-hearing children and adults, and for other purposes. Funds are authorized as may be necessary.

#### **Section 905. Audit**

Limits the requirements of the annual independent financial and compliance audit of the relevant IHE to cover only the activities of the National Technical Institute for the Deaf, and clarifies that such audit shall be conducted on a fiscal year cycle.

#### **Section 906. Reports**

Excludes preparatory programs from those programs about which the National Technical Institute for the Deaf must report enrollment, graduation, and post-graduation employment information.

#### **Section 907. Monitoring, evaluation, and reporting**

Removes reference to the Department of Education Organization Act when stating that the Secretary should submit an annual report to Congress on Gallaudet University's monitoring and evaluation activities of and legislative recommendations regarding the University's programs, activities and administrative operations. Changes the period of authorization of appropriations under this section to fiscal years 2008 through 2013.

#### **Section 908. Liaison for educational programs**

Requires the Secretary to designate a liaison between the Department of Education and Gallaudet University, the National Technical Institute for the Deaf, and other postsecondary educational programs for individuals who are deaf under the IDEA, the Rehabilitation Act, and other federal or non-federal agencies, institutions, or organizations involved with the education or rehabilitation of individuals who are deaf or hard of hearing.

**Section 909. Federal endowment programs for Gallaudet University and the National Technical Institute for the Deaf**

Extends the authorization of appropriations for fiscal years 2008 through 2013.

**Section 910. Oversight and effect of agreements**

Updates correct names of committees where relevant.

**Section 911. International students**

Establishes that preparatory students no longer count toward Gallaudet University's and the National Technical Institute for the Deaf's (NTID) respective enrollment caps of international students; nor do international students residing abroad and participating in distance learning courses. Also states that U.S. citizens who apply for distance learning courses shall not be denied participation because of the participation of international students, and such distance education international students will not be charged a tuition surcharge. International students from a non-developing country shall continue to pay a 100-percent tuition surcharge. Reduces the surcharge paid by postsecondary international students from a developing country.

**Section 912. Research priorities**

Updates correct names of committees where relevant.

**Section 913. Authorization of Appropriations**

Extends the authorization of appropriations for fiscal years 2008 through 2013.

**PART B—UNITED STATES INSTITUTE OF PEACE ACT**

**Section 921. United States Institute of Peace Act**

Clarifies that the term of a board member shall not commence until they are confirmed by the Senate and sworn in. Extends the authorization of appropriations for fiscal years 2008-2013.

**PART C—THE HIGHER EDUCATION AMENDMENTS OF 1998**

**Section 931. Repeals**

Repeals the following sections of title VII of the Higher Education Amendments of 1998: part A (Studies), part C (Community Scholarship Mobilization), part F (Improving U.S. Understanding of Science, Engineering and Technology in East Asia), part J (Web Based Education)

Commission), section 861 (Education Welfare Study), and section 863 (Sense of Congress Regarding Good Character).

**Section 932. Grants to states for workplace and community transition training for incarcerated youth offenders**

Establishes a grant program for state correctional agencies to assist and encourage youth offenders to acquire functional literacy, and life and job skills through postsecondary education and employment counseling and other related services, allocated via a formula based on the number of eligible youthful offenders in each state.

**Section 933. Underground railroad educational and cultural program**

Extends the authorization of appropriations for fiscal years 2008 through 2013.

**Section 934. Olympic scholarships under the higher education amendments of 1992**

Extends the authorization of appropriations for fiscal years 2008 through 2013.

**PART D—INDIAN EDUCATION**

**SUBPART 1—TRIBAL COLLEGES AND UNIVERSITIES**

**Section 941. Reauthorization of the Tribally-Controlled College or University (TCCU) Assistance Act of 1978**

Defines “National Indian Organization” and “Indian Student.” Modifies the Indian student count and continuing education. To be eligible, a TCCU must be accredited or must be making reasonable progress toward accreditation.

Grants shall be in the amount equal to the product of multiplying the Indian student count at such college or university during the academic year preceding the academic year and \$8,000, with the latter adjusted annually for inflation.

For technical assistance contracts under this section, authorizes \$3.2 million for fiscal year 2008 and five succeeding years. Authorizes such sums as shall be necessary for fiscal years 2008 and the succeeding five years for grants to TCCUs and the renovation program and construction of new facilities under this title.

Adds a new Subtitle V on Tribally Controlled Postsecondary Career and Technical Institutions. The term “tribally controlled postsecondary career and technical institution” aligns with the definition of the term in the Carl D. Perkins Career and Technical Education Act.

Funds shall be subject to the Indian Self-Determination and Education Assistance Act. A selected institution may elect to receive funds in accordance with an agreement between the institution and the Secretary if the agreement exists on the date of enactment of the Higher Education Amendments of 2007.

There are authorized to be appropriated for this new subsection such sums as may be necessary for FY 2008 and five succeeding fiscal years.

Subject to the availability of appropriations, the Secretary shall make grants to provide support for the education and training of Indian students to institutions that are not receiving federal assistance as of the date on which the grant is provided under title I of the Tribally Controlled College or University Assistance Act of 1978 or the Navajo Community College Act.

## **SUBPART 2—NAVAJO HIGHER EDUCATION**

### **Section 945. Short title**

Subpart entitled the “Navajo Nation Higher Education Act of 2006.”

### **Section 946. Reauthorization of Navajo Community College Act**

The purpose is to assist Diné College.

Requires a study of the academic facilities needs of Diné College and report to Congress no later than October 31, 2010.

Authorizes such sums as may be necessary for FY 2008 and the succeeding five fiscal years for construction activities. Such sums as are necessary shall also be appropriated to pay the cost of maintenance of the College, major capitol improvements, mandatory payments, supplemental student services, and to improve and expand the College by providing higher education programs, career and technical education, activities relating to the preservation and protection of the Navajo language, philosophy and culture, employment and training opportunities, economic development and community outreach, and a safe learning, working, and living environment.

---

## **Administration Position**

---

The Statement of Administration Policy on S. 1762, the Higher Education Access Act of 2007, included concerns regarding to S. 1642. Those concerns are below.

The Administration understands that the Senate may consider the provisions of S. 1642, the “Higher Education Amendments of 2007,” in conjunction with S. 1762. The Administration has grave concerns with several provisions in S. 1642. S. 1642 would create a number of new programs and reauthorize several programs the Administration proposed to terminate; set an unfortunate precedent by interfering with the Secretary of Education’s ability to properly administer and rigorously evaluate any TRIO program, including Upward Bound; and restrict the ability of the Secretary to collect student-level data and make it available in the aggregate to better inform parents and policymakers. In addition, the Administration opposes tuition price controls and is concerned about the bill’s

higher education price index. While college affordability is a worthy goal, pricing of services like higher education is complicated, and government attempts to compare and “index” prices can have unintended consequences. The Administration does support efforts to improve transparency in this area and looks forward to working with Congress to help families make informed, data-driven decisions. Finally, while the Administration supports the goals of the “Student Loan Sunshine” provisions designed to help eliminate questionable lender arrangements with institutions, further work on these provisions is needed to address technical problems.

## **Cost**

At press time, a cost estimate from the Congressional Budget Office was not available.

## **Possible Amendments**

Under the unanimous consent agreement, there will be up to 12 amendments in order, six per side, a committee-reported amendment in the nature of a substitute, and a managers’ amendment. Among the possible amendments anticipated:

- An amendment from Senator Coburn to preclude universities from using student tuition dollars or federal aid dollars to lobby Congress;
- An amendment from Senator DeMint to require a study to determine the feasibility and utility of collecting information regarding employment and other labor market factors of graduates;
- An amendment from Senator Burr on teacher development which would require any institution receiving assistance under Title IV that has a teacher training program to set goals for increasing the number of prospective teachers trained in teacher shortage areas such as math, science, special education, and instruction in English language proficiency, and more closely linking the training provided by the school with the needs of schools and teachers in the classroom;
- An amendment from Senator Burr to accelerate the time of a study included in the bill so that the relevant federal offices and representatives of higher education and state higher education chief executive officers who have a demonstrated commitment to simplifying the application for financial aid report back to Congress in one-year how the FAFSA should be simplified, and how to make better use of data parents have already submitted to the federal government through the IRS;
- An amendment from Senator Warner on Minority Serving Institutions for Advanced Technology and Education;

- An amendment from Senator Sessions on foreign medical schools;
- An amendment from Senators Brown and Sanders containing their Federal Supplemental Loan Program, which would create a new loan program, with interest rates set by the Secretary of Education, to provide additional loan volume to ensure that students do not have to take out private educational loans to finance their education;
- An amendment from Senator Dodd that would impose new “sunshine” requirements on the private educational loan market;
- An amendment from Senator Durbin which may include more disclosures of text book prices and restrictions on text book publishers; or an amendment to allow student loans to be dischargeable in bankruptcy; or an amendment to attach S. 774, the DREAM Act; or an amendment to expand loan forgiveness for prosecutors and public defenders;
- An amendment from Senator Boxer to provide additional funds for the Upward Bound program for applicants that had a grant score above 70 but did not receive a grant in FY07;
- An amendment from Senator Reid regarding campus-based digital theft prevention;
- An amendment from Senator Akaka regarding Native Hawaiians in the McNair Post-baccalaureate Achievement Program;
- An amendment from Senator Harkin regarding loan forgiveness for legal aid attorneys; and
- A managers’ amendment that could include, among a number of technical and conforming changes, a series of provisions including:
  - A compromise on transfer of credit to require IHEs to provide a statement that includes any established criteria an institution uses regarding the transfer of credit earned at another institution;
  - Adds a requirement that when defaulted loans that have been rehabilitated are sold, the record of default is removed from the borrower’s credit record;
  - A School of Veterinary Medicine Competitive Grant program to increase the number of veterinarians who are trained in certain public health areas by providing support to expand veterinary school programs;
  - Clarifies that the prohibition on development and maintenance of a federal database of individuals receiving assistance under the Higher Education Act does not apply to existing databases needed to operate programs under Titles II, IV, and VII, such as the NSLDS;
  - An Early Federal Pell Grant Commitment Demonstration Program that would involve awards to four states to enable them to identify cohorts of low-income eighth-grade students that are expected to be Pell-eligible and run a targeted information campaign to provide information about college costs and financial aid;

- Deletes a redundant provision in the program for students with intellectual disabilities;
- Clarifies the applicability of the Title II provisions for early childhood educators and ensures that early childhood educators learn to use age and developmentally appropriate strategies and practices;
- A Kupuna Memorial Archives program, in honor of a former Senate Sergeant at Arms, that focuses outreach and educational activities for Native Hawaiians;
- An addition of two Historically Black Graduate Institutions, Kentucky State University and Grambling State University; and
- A provision to enable students at St. John's College to participate in the SMART grant program.